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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/879,677	06/12/2001	Yesim Erke	END920010025US1	5004

7590 03/21/2007  
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EXAMINER
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CHAMPAGNE, LUNA

ART UNIT	PAPER NUMBER
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3627

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	03/21/2007	PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/879,677	<b>Applicant(s)</b> ERKE ET AL.	
	<b>Examiner</b> Luna Champagne	<b>Art Unit</b> 3627	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 12/11/06.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 3,4,6,7,19,21,22 and 24-27 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 3,4,6,7,19,21,22 and 24-27 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date: _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date: _____   | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

The amendment filed on 12/11/2006 is acknowledged. Claims 1, 2, 5, 8-18, 20, 23 are cancelled. Claims 24-27 are new. Claims 3, 4, 6, 7 19, 21, 22, 24-27 are presented for examination.

#### ***Claim Rejections - 35 USC § 112***

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 3, 4, 6, 7, 19, 21, 22 and 24, 26 and 27 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In claim 3/line 2, claim 6/line 2, claim 19/ line 3, and claim 21/line 2, the recitation "two hour" is vague. It is unclear what mode of transportation is associated with the two hour limitation set in the claims. The time limit does not change the scope of the claim without the mode of transportation. Clarification is required.

#### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

Patentability shall not be negated by the manner in which the invention was made.

Claims 3-4 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ettl et al. (US5946662).

Ettl et al. disclose the limitations of the claims (See specifically Columns 24-29, "8 Demonstration") except the specific teaching of providing handling costs for each of the stocking locations, and the equipment requiring one or more parts installed at the customer locations.

The limitations lacking in the prior art are well known issues/scenarios in business and to modify Ettl et al. to include the provision of handling costs and to have the parts be required by equipment at the customer locations, would have been obvious to one of ordinary skill in the art at the time of the invention in order to consider all costs and scenarios when using the optimizing software.

Claims 6, 7, 21-22, 24-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ettl et al. (US5946662) in view of Kalyan et al. '538.

Ettl et al. disclose the limitations of the claims (See specifically Columns 24-29, "8 Demonstration") except the specific teaching of providing handling costs for each of the stocking locations, the equipment requiring one or more parts installed at the customer locations, and the parts being grouped by importance into a plurality of groups and the pre-specified time comprises a corresponding plurality of times.

Kalyan et al. teach that a product may have multiple components (See for example Col. 9, lines 41-54; **constituting a "plurality of groups"**) whereby the MAV

Art Unit: 3627

(minimum accepted value) is calculated for each component. Each MAV calculated is a function of "lead time" (See Col. 9, lines 54-56; ***which correlates to applicant's claimed "plurality of times"***).

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Ettl et al. to include grouping the parts whereby the groupings have a corresponding plurality of times, in view of Kaylan et al., in order to account for the variables in pricing associated with lead time.

It would have been further obvious to one of ordinary skill in the art at the time of the invention to modify Ettl et al. to have the groups be grouped by importance, as a customer would want to ensure that the most critical components arrive in less time than the less critical parts.

The further limitations lacking in the prior art are well known issues/scenarios in business and to modify Ettl et al. to include the provision of handling costs and to have the parts be required by equipment at the customer locations, would have been obvious to one of ordinary skill in the art at the time of the invention in order to consider all costs and scenarios when using the optimizing software.

Re Claim 24, Ettl et al. lacks specifically a method wherein data for a plurality of customer locations include travel time and cost to transfer a part from each of a plurality of stocking locations to each of said customer locations.

However, it is well known in the art of inventory that information on travel time and cost of transportation is used for planning and billing. Therefore, it would have been

Art Unit: 3627

obvious to a person of ordinary skill in the art to include travel time and transportation cost on the agreement between the locations, in order to clarify the agreements between the parties because the interdependence of base stock level at different stores affects the overall system performance (*See, for example, Ettl et al. col. 4, lines 19-20*)

Re claim 25, Ettl et al. fail to disclose a method wherein said optimization computer program is a mixed integer optimization program.

However, Kaylan et al. disclose a method wherein said optimization computer program is a mixed integer optimization program. (*See col. 4, lines 31-35*).

Therefore, it would have been obvious, at the time of the invention, to a person of ordinary skill in the art to modify Ettl et al. by using a mixed integer optimization program, as taught by Kaylan et al., in order to be able to account for the different types of data/variables used to compute the inventory levels at the locations (*See, for example, Ettl et al., col. 4, lines 31-35*).

Re claim 26, Ettl et al. disclose a method wherein said inventory levels are computed to meet a total inventory cost while maximizing the percentage of said parts in said request rates which can be transferred from any said stocking location to each respective said customer location within a pre-specified time (*See col. 28, lines 3-4; lines 18-23*).

Re claim 27, Ettl et al. disclose a method further comprising computing an estimated time for each part to be transferred from any said stocking location to each respective said customer location for each of said parts in said request rates (See col. 6, lines 20-24; col. 34, lines 2-4).

### ***Response to Arguments***

3. Applicant's arguments filed 12/11/2006 have been considered and addressed in the rejection above.

### ***Conclusion***

4. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Art Unit: 3627

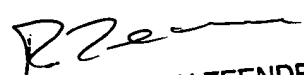
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Luna Champagne whose telephone number is (571) 272-7177. The examiner can normally be reached on 8:30 - 5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Florian Zeender can be reached on (571) 272-6790. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

  
Luna Champagne  
Examiner  
Art Unit 3627

March 14, 2007

 3/19/07  
F. RYAN ZEENDER  
SUPERVISORY PATENT EXAMINER  
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